



ING Life Insurance and Annuity
Company
P.O. Box 990063
Hartford CT 06199-0063

ING Customer Contact Center
(800) 584-6001

Dear San Jose Deferred Compensation Plan Participant:

We have generated the enclosed materials in response to your request to apply for benefits. These documents have been prepared based on the Plan provisions in effect, your account status and the information you provided.

Please give careful consideration to your decision. **Once processed, your distribution cannot be returned for cancellation.**

If you wish to proceed with this request, follow the three simple steps described below.

Step 1- Review the enclosed documents carefully. It is important that you understand the terms and conditions that apply when taking a distribution from your Plan account.

If you have any questions about the documents or the distribution options available to you, or if you wish to make changes to your original distribution request (e.g., the amount or form of distribution), please contact a Customer Service Associate at (800) 584-6001 before proceeding. Customer Service Associates are available from Monday through Friday, 8:00 a.m. - 10:00 p.m., E.T., and Saturday, 8:00 a.m. - 4:00 p.m., E.T.

Step 2- Sign and date the following paperwork:

Termination/Distribution Request Authorization

Your written request for disposition of your account after termination of your employment or retirement. The *Termination/Distribution Request Authorization* form provides ING Life Insurance and Annuity Company (ILIAC) with the authorization and related information required to process your request.

Note: By signing the *Termination/Distribution Request Authorization* form you acknowledge that you have received and understand the enclosed Summary of Notice Regarding Important Tax Information, and further that you have waived the 30 day review period in order to request immediate processing of your distribution.

Any change to a previously made election may affect your federal and state income tax withholding and reporting. You may wish to consult a professional tax advisor before making an election to change your payment of benefits.

Direct Rollover/Transfer

If you elect to have all or a portion of your distribution transferred or rolled over to another plan or an IRA, you must complete this form with the help of the appropriate plan representative. *Please note, a representative of the Plan that will receive your benefits must complete and sign Sections 1-4 of this form.*

Step 3- The paperwork completed in Step 2 must be brought (or sent) to the City of San Jose Human Resources for final approval. The Plan Sponsor, as fiduciary, must authorize and approve all distribution requests. Note: Plan Sponsor authorization is not required if this request is an election to change an existing payment of benefits. After all required signatures are obtained, the completed paperwork is to be mailed or faxed to the address or number shown on each form.

Good Order

Good Order is receipt at ING's designated location of the paperwork included in this mailing (including all requested supporting documentation) accurately and entirely completed, and includes all required signatures. Once the paperwork is received in Good Order and processed, the disbursement will be paid within seven (7) calendar days or sooner. A corresponding transaction confirmation will be generated. Paperwork not received in Good Order, as determined by ING, may be returned to you for correction and processed upon resubmission in Good Order at ING's designated location.

Payment Information

Disbursements will only be made payable to the Plan Sponsor, the participant, the participant's beneficiary, an alternate payee (in the event of divorce or separation) or to another investment provider or custodian (in the event of a rollover or transfer of benefits). ING will not honor a request to pay any other party.

We reserve the right to directly or through a third party recover any payments made in excess of amounts to which you are entitled under the terms of the contract, regardless of the method of payment.

Please make a copy of these documents for your own records.

Sincerely,

ING Life Insurance and Annuity Company

SUMMARY OF NOTICE REGARDING IMPORTANT TAX INFORMATION

The following is a brief explanation of an important decision you must make about any distribution you request from the Plan. Please read it carefully. You can find a more complete written explanation of these rules in our Special Tax Notice at www.ingretirementplans.com/taxnotice. You can obtain a free copy of the complete explanation by calling (800) 584-6001.

We are required to provide this notice to you at least 30 days, but no more than 180 days, before the date of distribution. You have the right to consider whether to elect a direct rollover for at least 30 days after the notice is provided. Your Employer's retirement program may provide that by completing and returning the distribution request in less than 30 days, you elect to waive the 30-day requirement. This would mean that you do not wish to wait 30 days before receiving your requested distribution. We will process your distribution request as of the date we receive it in Good Order.

If you choose a Direct Rollover:

- Your payment will be made directly to another Employer Plan (401, 403(b) or Governmental 457(b)) that accepts your rollover.
- Some employer plans do not accept rollovers, or accept only certain rollovers. You should confirm this before requesting a rollover. You may also elect to roll the assets to a traditional IRA.
- You will receive a 1099R.
- Your payment will not be taxed in the current year and no income tax will be withheld. Your payment may be taxed later when you take it out of the Employer Plan or traditional IRA (if applicable) and choose to take the distribution in cash.
- You may be able to request a subsequent distribution of the amounts rolled over at any time.

If you choose a Transfer:

- Only allowed if moving assets to a like plan (e.g., 401(a) to another 401(a) or 457(b) to another 457(b)).
- You will not receive a 1099R. Your transfer will not be taxed.
- You will not be able to receive a cash distribution of the amount transferred until you have a "distributable event" under the new plan.

If you choose Cash:

General Rules:

- You *will* receive a 1099R.
- You may also owe an additional 10% penalty tax to the IRS if you have not reached 59 1/2 unless another statutory exemption applies (*not applicable to governmental 457 plans, with the exception of rollover contributions from a non-457 plan*).
- Your payment will be reduced by the mandatory 20% Federal Income Tax. State Tax will be withheld as required.
- Your payment is taxable and income tax will be due.

NOTICE OF YOUR RIGHT TO DEFER DISTRIBUTION

You may elect to leave the assets in your Plan account until a later date subject to IRS minimum distribution requirements, take a distribution or roll over your assets from your Plan account to another retirement plan vehicle (including an IRA) as described above. When considering the economic consequences of your choice, you should compare the investment options available, investment fees and expenses, and the administrative costs that you will incur with each option.

If you elect to take a distribution and not roll the assets over from your Plan account to an IRA or other retirement plan, you may lose the opportunity to accumulate earnings on your account on a tax-deferred basis for retirement. This means that by taking a cash distribution now, you may end up with much lower retirement income even if you invest the distribution amount after taxes are withheld. Should you elect to roll your assets over from your Plan account as described above, you may not have the range of investment options, investment share classes, and fee structures available in your Plan today.

NOTICE OF YOUR RIGHT TO DEFER DISTRIBUTION *(Continued)*

Information on the administrative and transactional fees assessed on your Plan account can be obtained from the following documents (Note: not all documents may apply to your Plan): Summary Plan Description (SPD) for ERISA plans, enrollment kit, prospectus summary, disclosure booklet or your individual contract. To request a copy of the SPD, disclosure booklet and enrollment kit, call your employer, plan administrator or local representative. To request a copy of the prospectus summary and individual contract, call the Customer Contact Center, using the toll-free number provided above or on your ING statement of account. Administrative and transaction fees assessed on your Plan account will be reflected on your ING statement of account.

Information on the investment options available to you under Plan today, including related fees or expenses, can be obtained from the Fund Performance and Fund Fact Sheets available online through ING Access at www.ingretirementplans.com or by calling us.

To learn more about your distribution options under the Plan and the tax consequences of each option, call ING or speak to a professional tax advisor.

Systematic Withdrawal Option (SWO)

With SWO, you may receive payment on a regular basis according to one of the options described below. Payments can be made monthly, quarterly, semi-annually, or annually.

- **Specified Period** – Elect a payment period of at least 3 years, not to exceed your life expectancy (as determined by tables issued by the IRS).
- **Specified Payment** – Elect a specific amount to receive each payment. Payments must be made over a minimum of three years. If the amount requested is less than \$250 per payment, ING reserves the right to make payments less frequently in order to maintain a minimum payment of \$250. Your total annual amount will not be reduced as a result of such an adjustment. The amount of your payment will remain constant, unless a larger payment is required by minimum distribution rules.

Terms & Conditions

- The minimum account cash value to elect this option is \$5,000.
- Unless otherwise requested by you, withdrawals will be taken on a pro-rata basis from all core investment options.
- Your account value continues to be invested according to your investment allocation.
- Any change to a previously made SWO election will require you to requalify, that is existing elections will not be taken into account in determining if this SWO election meets the eligibility requirements.
- Any subsequent distribution election you make may result in your existing SWO payments being stopped, unless you specifically instruct ING to continue your SWO payments.



Termination/Distribution Request Authorization

Mail or fax completed form to:
ING Life Insurance and Annuity Company
P.O. Box 990063
Hartford CT 06199-0063
Fax: (800) 643-8143

ING Life Insurance and Annuity Company will be defined as “the Company”, “we”, “us”, or “our” in this document.

Plan Information	Plan Name		Plan Number	Div/Loc Code
Account Holder Information If you have a PO Box, U.S. Tax laws require a street address to be indicated.	Participant/Beneficiary Name		Social Security Number <i>(Required)</i>	
	MANDATORY - Address (No. & Street)		PO Box (Optional)	
	City	State	Zip Code	Primary Phone No.
	Account Type I am the: <input type="checkbox"/> Participant <input type="checkbox"/> Beneficiary (as result of a death benefit) <input type="checkbox"/> Alternate payee (as result of qualified domestic relations order)			
Distribution Elections If you are requesting multiple distribution options, the percentage of your account to be distributed under each option must be clearly noted in the Special Instructions section on page 2. Any change to a previously made election may affect your federal and state income tax withholding and reporting.	1. Cash Distribution <input type="checkbox"/> Cash Distribution Amount to be distributed: _____ % or \$ _____		2. Direct Rollover or Transfer <input type="checkbox"/> ING Rollover Advantage IRA <input type="checkbox"/> ING Pension IRA <input type="checkbox"/> ING Rollover Choice <input type="checkbox"/> ING SPIA <input type="checkbox"/> ING Other <input type="checkbox"/> Non-ING IRA* <input type="checkbox"/> Other Eligible Retirement Plan (401, 403(b) and governmental 457 plans)*	
	3. Deferred Distribution <input type="checkbox"/> I wish to defer payment of all or a portion of my benefits to a later date. I understand in order to receive a distribution at a later date, I must request and complete the required paperwork.		Percent of Eligible Amount to be Rolled or Transferred. _____ % Or Dollar of Eligible Amount to be Rolled or Transferred. _____ \$	
Minimum Requirements: <ul style="list-style-type: none">• \$5,000 account balance• \$250 periodic payment amount• 3 year payment period	4. Installment Payment Option/Systematic Withdrawal Option (SWO) <input type="checkbox"/> Distribute my account in Installments. SWO payments will be processed on the 1 st or 15 th of the month payment is due, as elected by you, unless the payment date falls on a non-business date, in which case it will be processed on the next following business day. <i>You may expect to receive payment generally within 7 calendar days after each installment date.</i> First Installment Date _____ Frequency of Installment _____ Payment Election (select one) <input type="checkbox"/> Number of Payments _____ <input type="checkbox"/> Installment Payment Amount _____			
	Fund Selection Unless otherwise requested below, SWO payments will be taken on a pro-rata basis from all investment options and within each investment option, pro-rata across all contribution sources. If you request that SWO payments be made from a specific investment option(s), and the amount needed for withdrawal from the investment option(s) is greater than 95% of the current value of that option(s), we will process your SWO pro-rata across all investment options. Fund Number _____ % Fund Number _____ % Fund Number _____ % Fund Number _____ % Total must equal 100%			

Electronic Fund Transfer Instructions

- EFT cannot be made outside of the U.S.
- EFT cannot be used in conjunction with a direct rollover or transfer, as applicable.
- EFT cannot be made to a third party account.

Do not submit a voided check or deposit slip with this form.

By completing this section, you authorize ING to initiate an electronic funds transfer (EFT). The EFT instructions below must be complete; otherwise, payment will be made by check. EFT payment will be made by automated clearing house (ACH). ACH payments will generally be available in your designated account within 3 - 4 business days of the date the transaction is processed. Please be sure to confirm your 9 digit ABA routing number with your bank. ING will rely on the bank information provided, and will not be responsible for a lost payment if you enter the wrong account information. Any returned payments will be paid by check.

Type of Account (check one):

☐

Checking

☐

Savings

Account Holder(s) (as it is registered at your bank)

Bank Name

Bank Address (No. & Street)

City/Town

State

Zip Code

ABA Routing No (9 digits) *verify with your bank*

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Bank Account No. **Do not include any dashes, slashes or spaces.**

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Special Instructions

Special Instructions

Tax Withholding Elections

General Information

Payment made directly to the account holder (excluding independent contractors) is taxable and subject to Federal Income Tax Withholding at the time of distribution. For states that impose a State Income Tax, payment made directly to the account holder is taxable and subject to State Income Tax Withholding as wages at the time of distribution.

Federal Withholding: Refer to the Summary of Notice Regarding Important Tax Information for more detailed information.

- If the distribution option you elect is eligible to be rolled over, the amount distributed is subject to 20% mandatory withholding, unless it is directly rolled over. You may elect to have an amount greater than 20% withheld.
- If the distribution option you elect is not eligible to be rolled over, the amount distributed is subject to 10% withholding, but you may elect to have no withholding or have an amount greater than 10% withheld.

Complete item no. 1 only if:

- The Account Holder has a U. S. Resident Address, and
- The check is payable to Account Holder

1. Tax Withholding

Federal Withholding - If any part of this payment is exempt from mandatory Federal Income Tax Withholding:

☐

0% Withholding

☐

10% Withholding

DEFAULT: If no election is made, 10% Federal Income Tax Withholding will occur.

State Withholding - Refer to ING's State Income Tax Withholding Notification for more detailed information.

My residence state for tax purposes is: _____

If any part of this payment is exempt from mandatory State Income Tax Withholding:

☐

Voluntary State Income Tax to be withheld

☐

No State Income Tax to be withheld.

_____%
(Indicate the percent to be withheld)

California or Oregon residents electing this option **must** complete and submit ING's State Income Tax Withholding Notification.

DEFAULT: If no election is made, State Income Tax Withholding will occur, if applicable.

2. Additional Withholding

Federal Withholding

If you wish to have additional Federal Income Tax withheld, you must attach a completed IRS Form W-4P (available at IRS website or Offices).

Is a copy of IRS Form W-4P attached?

☐

Yes

State Withholding

If you wish to have additional State Income Tax withheld, you must attach a completed copy of your State of residence's applicable State income tax withholding form (available from your State of residence's tax authority).

Is a copy of your State income tax withholding form attached?

☐

Yes

If this information is not received at the time of the withdrawal, the withdrawal will be processed with a non-reimbursable 30% Federal Income Tax Withholding.	<div style="border-bottom: 1px solid black; margin-bottom: 10px;"> 3. Non Resident Tax Information - This information must be completed if the resident address is outside of the United States. </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <input type="checkbox"/> I am a citizen of the United States living in a Foreign Country. If you are a U. S. citizen, then this disbursement is subject to withholding rules for U.S. Citizens with this exception: You are not able to elect "out" of withholding. </div> <div style="width: 35%;"> <input type="checkbox"/> I am not a United States Citizen. My country of legal residence is _____. If you are not a U.S. Citizen, this disbursement is subject to withholding provisions for Non-Resident Aliens. You must complete, sign, date and return to us the IRS Substitute Form W-8BEN, "Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding." If you do not have an U.S. Social Security Number, you must apply for and receive an Individual Taxpayer Identification Number (ITIN) from the IRS, using IRS Form W-7. </div> </div>			
Participant/Beneficiary Certification	<p>Under penalties of perjury I declare that, to the best of my belief, the information on this form is true, correct and complete. It is understood that the furnishing of this form by the Company does not constitute an admission that there is any policy in force.</p> <p>I certify that I have received and understand the Summary of Notice Regarding Important Tax Information and, if applicable, waive the 30 day notice requirement.</p> <p>The distribution amount will be reduced by any applicable withholding for federal and state income taxes. This should be considered in determining the disbursement amount requested. If the distribution is subject to a surrender fee and/or market value adjustment, it will be deducted from the disbursement amount requested.</p> <p>If a PO Box is used, the Participant/Beneficiary must also provide us with a resident address. If a resident address is not provided, tax laws require this distribution to be processed with a non-reimbursable 30% Federal Income Tax Withholding.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 65%; border-top: 1px solid black; text-align: center;">Participant/Beneficiary Signature</div> <div style="width: 30%; border-top: 1px solid black; text-align: center;">Date</div> </div>			
Termination Information (To be completed with initial distribution election only by authorized Plan Representative ONLY)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; padding: 2px;">Date of Termination (Not required if previously provided to the Company)</td> <td style="width: 33%; padding: 2px;">Date of Last Contribution</td> <td style="width: 34%; padding: 2px;">Date of Last Loan Repayment (if applicable)</td> </tr> </table> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> Distribution Reason <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <input type="checkbox"/> Termination of Employment <input type="checkbox"/> Retirement <input type="checkbox"/> Disability (applicable to 401 plans only) </div> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> 1,000 Hour Vesting (if applicable) <input type="checkbox"/> Check this box, and complete vesting percentage if the plan requires 1,000 hours to earn a vesting credit and it was earned in the final year. _____ % </div>	Date of Termination (Not required if previously provided to the Company)	Date of Last Contribution	Date of Last Loan Repayment (if applicable)
Date of Termination (Not required if previously provided to the Company)	Date of Last Contribution	Date of Last Loan Repayment (if applicable)		
Plan Sponsor Representative Certification (Certification is required with Initial distribution election only.)	<p>This is to certify that the information on this form is correct, and the Participant/Beneficiary is eligible to receive this distribution under the plan.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 65%; border-top: 1px solid black; text-align: center;">Signature of Plan Sponsor Representative releasing funds from the plan</div> <div style="width: 30%; border-top: 1px solid black; text-align: center;">Date</div> </div>			



Direct Rollover/Transfer

ING Life Insurance and Annuity Company will be defined as "the Company", "we", "us", or "our" in this document.

Destination Type – Check the appropriate receiving Plan or Arrangement

☐

401(a)/401(k) Plan

☐

403(b) Plan

☐

IRA

☐

Governmental 457 Plan

NOTE: Your governmental 457(b) Deferred Compensation Plan benefits may lose preferential tax treatment upon distribution from the recipient plan if rolled over to a 401(a), 401(k), 403(b) or traditional IRA. For further information, see our Special Tax Notice at www.ingretirementplans.com/taxnotice.

Instructions (Please type or print clearly in ink)

- If directly rolling over to another eligible retirement plan or requesting a plan-to-plan transfer to a 457 plan, bring this form to the Representative of that plan and have them complete sections 1, 2, 3 and 4. Signature of the Plan Representative is required.
- If rolling over to an IRA, you may complete, or, have the IRA Representative complete sections 2, 3, and 4.
- After the form has been completed, it should then be signed and dated with your signature. **Attach this form to the Termination/Distribution Request Authorization form.**

1. Recipient Plan Signature of the recipient Plan Representative is required.	ROLLOVERS TO A 401(a)/401(k), 403(b) OR GOVERNMENTAL 457 PLAN: Are eligible plan assets (employee pre-tax or employer contributions) accepted? <input type="checkbox"/> Yes <input type="checkbox"/> No																		
	PLAN-TO-PLAN TRANSFER TO A GOVERNMENTAL 457(b) DEFERRED COMPENSATION PLAN: Check here to indicate the receiving Plan is an eligible governmental 457 Plan. <input type="checkbox"/> NOTE: 457 Transfers may only be made to and from an eligible governmental 457 Plan.																		
	Contract Number	Plan Number (If applicable)	Authorized Signature of Recipient Plan Representative (MANDATORY)																
2. Rollover or Transfer Amounts	Minimum acceptable amount (if applicable). <table border="1"><tr><td>\$</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>			\$															
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	Maximum acceptable amount (if applicable). <table border="1"><tr><td>\$</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>			\$															
\$																			
3. Rollover/Transfer Instructions	Check will be made payable to: (Custodian of the IRA or Investment Provider of the Plan to receive the benefit) _____ For the Benefit of: _____																		
4. Mailing Instructions	Attention of: _____		Account Number _____																
	Address (No. & Street) _____																		
	City _____	State _____	Zip Code _____																
	Additional Instructions _____		Phone No. (Daytime) _____																
5. Participant/Beneficiary Authorization	I hereby authorize ING Life Insurance and Annuity Company to directly rollover or transfer my assets per the above instructions. Participant/Beneficiary Signature _____ Date _____																		
6. Internal Use Only	Direct Rollover or Transfer Amount <table border="1"><tr><td>\$</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	\$										Mail Date <table border="1"><tr><td>Month</td><td>Day</td><td>Year</td></tr><tr><td></td><td></td><td></td></tr></table>		Month	Day	Year			
\$																			
Month	Day	Year																	



State Income Tax Withholding Notification

401, 403(b), 408 and Governmental 457 Plan Distribution

Notification

If you are a resident of Arkansas, California, Delaware, Iowa, Kansas, Maine, Maryland*, Massachusetts, Nebraska, North Carolina, Oklahoma, Oregon, Vermont, or Virginia*, your state requires State Income Tax Withholding on the taxable portion of your distribution from your 401, 403(b), 408 Individual Retirement or Governmental 457 Plan. This State Income Tax Withholding is in addition to the mandatory 20% (*or, in some cases, elected 10%*) Federal Income Tax Withholding. Please note, when a state cost basis differs from Federal, the Federal cost basis will be used in determining taxability for State Income Tax Withholding purposes.

- If you are a resident of **California** or **Oregon**, State Income Tax Withholding will be calculated according to the **State Withholding Table** (*below*) for your state **unless** you complete the bottom portion of this form indicating your election "out" of State Income Tax Withholding, and return it to us with, and to the same ING's designated location as, your Withdrawal Request.
- If you are a resident of **Arkansas, Delaware, Iowa, Kansas, Maine, Maryland*, Massachusetts, Nebraska, North Carolina, Oklahoma**, or **Vermont**, State Income Tax Withholding will be automatically calculated according to the **State Withholding Table** (*below*) for your state. These states do not allow an election "out" of State Income Tax Withholding when Federal Income Tax Withholding applies.
- If you are a resident of **Virginia***, State Income Tax Withholding will be calculated automatically **unless** you meet certain income criteria and claim an exemption from withholding. To claim an exemption for Virginia complete Form VA-4P (obtained from the Virginia Department of Taxation), and return the appropriate form to us with, and to the same ING's designated location as, your Withdrawal Request.

Please refer to the following table for State Income Tax Withholding rules on distributions from 401, 403(b), Governmental 457 and 408 Individual Retirement Plans.

State Withholding Table

Arkansas	– 5% of taxable portion of distribution
California	– 10% of amount of Federal Income Tax withheld
Delaware	– 5% of taxable portion of distribution
Iowa	– 5% of taxable portion of distribution
Kansas	– 5% of taxable portion of distribution
Maine	– 5% of taxable portion of distribution
Maryland*	– 7.75% of taxable portion of distribution
Massachusetts	– 5.3% of taxable portion of distribution
Nebraska	– 5% of taxable portion of distribution
North Carolina	– 4% of taxable portion of distribution
Oklahoma	– 5% of taxable portion of distribution
Oregon	– 8% of taxable portion of distribution
Vermont	– 27% of amount of Federal Income Tax withheld
Virginia*	– 4% of taxable portion of distribution

This reflects applicable states and their stated withholding rates effective 1/1/2006. Rates may be modified by the states at any time and additional states may add a requirement to withhold on these types of distributions at any time. Our withholding will reflect the current rate for the applicable state at the time of each individual payment.

*Note: Virginia and Maryland State Income Tax are not applicable to 408 plans.

Payee/Account Holder Election

Do not submit this form if you want State Income Tax to be withheld.

I elect to have **no State Income Tax withheld** from this distribution and I am a resident of (*check one*):

☐ California ☐ Oregon

Payee/Account Holder Signature

Date (*mm/dd/yyyy*)